

REMARKS

Reconsideration of the application is respectfully requested for the following reasons:

1. Claim Objections

These objections have been addressed by amending claims 5 and 6 to depend from claim 4, and by changing “blue-painted” to –blue coloring–, as suggested by the Examiner.

2. Rejection of Claims 7, 8, and 13 Under 35 USC §112, 2nd Paragraph

This rejection has been addressed by amending claims 7 and 8 to refer to –said advertisements– (the “s” at the end of advertisements has been deleted), and amending claim 13 to refer to positively recite the computing device.

3. Rejection of Claims 1, 2, 7, 14, and 15 Under 35 USC §102(b) in view of U.S. Patent Publication No. 2002/0083469 (Jeannin)

This rejection is respectfully traversed on the grounds that the Jeannin publication does not disclose or suggest updating of advertisements inserted into an interactive program based on responses submitted by the user, via an interface device, to the content of the program itself, as claimed, rather than demographic data or a “viewer profile” based on previously selected advertisements, as described in the Jeannin publication.

The Jeannin publication, like the references previously relied-on by the Examiner, merely discloses insertion of advertisements into an ordinary video program. The content of the program, except for the inserted advertisements, is not determined by the viewer. Instead, the insertion of advertisements is based solely on a “viewer profile” that lists previously selected advertisements. Furthermore, the Jeannin publication specifically teaches away from the insertion method used by the claimed invention, in which an advertisement is inserted into a **selected portion** of the displayed program or other images. Instead, Jeannin uses an object-based video coding scheme to author a program in which diverse objects are “isolated” in their scenes,

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and separately delineated from the video stream, as explained in respective paragraphs [0031] and [0014] on page 2 of the Jeannin patent.

According to the Jeannin patent and other advertisement-insertion systems, the viewer of a program can interactively respond to an inserted advertisement. This is referred-to as a “click-through,” and is well-known. This is not, however, the same as the claimed invention, in which advertisements are updated based on the user’s response to the program. The claimed invention customizes the advertisements based on viewer responses to the **program itself**, rather than relying on demographic data or the like, the inserted advertisements blending into the program so as not to distract from the interactive viewing experience, but only into portions of the display so as to avoid the need for “objects” of the type disclosed by Jeannin.

The claimed invention is essentially the converse of what is taught by Jeannin, since the insertion of ads in Jeannin is the result of a library of previous ad selections rather than the result of responses to the content of the programs into which the ads are inserted, as illustrated by the following:

<u>Jeannin:</u>	insert ads into non-interactive program	→	viewer selects ads	→	<u>previous ad selections</u> used to determine future ad insertions
<u>Claimed:</u>	play interactive program	→	viewer responds to program content	→	viewer <u>responses to program content</u> determines future ad insertions

The point of the invention is to seamlessly integrate ads into interactive programs, so that the viewer reacts only to the program content, the ads blending into the background—*while nevertheless responding to viewer preferences as determined based on reactions to the viewed content.*

There are a variety of “interactive” programs into which the ads may be inserted. One is the “multi-path” movie which pauses at various points during the movie and gives the viewer the option of selecting one of two outcomes, which determines how the movie proceeds. Another is

an interactive video game. However, in each of these types of interactive programs, and by definition in all other interactive programs, the viewer is responding to the **content** of the program **itself**. The Jeannin publication does not concern such an interactive program, or at least does not insert advertisements into a program based on viewer reactions to program content (as opposed to viewer selection of particular advertisements), and therefore the Jeannin publication does not anticipate any of the currently pending claims, and withdrawal of the rejection of claims 1, 2, 7, 14, and 15 under 35 USC §102(e) is respectfully requested.

3. Rejection of Claims 3-6 Under 35 USC §103(a) in view of U.S. Patent Publication No. 2002/0083469 (Jeannin) and U.S. Patent No. 6,208,386 (Wilf)

This rejection is respectfully traversed on the grounds that the Wilf patent, like the Jeannin publication, does not disclose or suggest insertion of advertisements into an interactive program based on responses submitted by the user to the main program. Instead, the Wilf patent is directed to systems for locating and replacing billboards that appear in broadcast television programs, and does not anywhere mention processing, transmission, or reply to viewer responses to the replacement "billboards."

In addition, with respect to claim 6, the Applicant again respectfully disputes the **Official Notice** that "it is well known in the art to use the system as taught by Jeannin and Wilf et al. for a musical event to present advertisements on the background of the stage." All of the art of record is directed to sporting events, and the undersigned is not aware of any broadcasts that used the system of Jeannin and Wilf to replace **stage backgrounds** with advertising or billboards, or that anyone has proposed to do so. In fact, Jeannin specifically states that such insertion is "**limited to sports programs**" [paragraph 0005 on page 1]. If insertion of advertisements into the background of concert or musical broadcasts is "well-known," as alleged by the Examiner, then the Examiner should have been able to find art of record as evidence that such insertion is well-known.

4. Rejection of Claim 8 Under 35 USC §103(a) in view of U.S. Patent Publication No. 2002/0083469 (Jeannin) and U.S. Patent Publication No. 2001/0027559 (Tanabe)

This rejection is respectfully traversed on the grounds that the Tanabe publication, like the Jeannin publication, does not disclose or suggest insertion of advertisements into an interactive program based on responses submitted by the user, via an interface device, to the main program. While the Tanabe publication is directed to interactive advertisements, it does not seek to insert advertisements into a video program or on-line game, but rather simply adds a “browser unit” to a television broadcast receiver so as to HTML graphic displays (webpages) which are displayed. These webpages are not integrated into the program in the claimed manner and, while viewer data is solicited in the form of “limiting information” (see, col. 6, paragraph [0097]) and responses to the advertisements in the form of purchase orders may also be solicited, there is no attempt to *modify* or select inserted advertisements based on the viewer responses to the advertisements.

As explained in col. 7, paragraph [0116] of Tanabe, *after* checking the limiting information and requesting transmission of contents after a pause for downloading of the webpage:

...the browser unit 24 presents the advertising information stored in the storage unit 21 for display on the display unit 18 in accordance with the limiting information and the contents of the advertising scenario header stored in the storage unit 21. The browser unit 24 sends the contents pause request to the reproduction control unit 23 immediately before initiating the display of the advertising information, and sends the restart request to the reproduction control unit 23 immediately after ending the display. The temporarily stopping and restarting of the transmission of the contents is thus effected in accordance with the above protocol.

Thus, contrary to the claims of the present application (and in particular to the step of “inserting, **while said program or other images are being displayed,** . . .”), and also contrary to the system of Jeannin, Tanabe **starts** and **stops** programming during display of the advertisements rather than integrating advertisements into the programming. Furthermore, the advertisements are selected based on data entered by a viewer in response to a query contained in a webpage that is displayed upon pausing the program through a “WWW page prompting for entry of limiting information”

(col. 7, paragraph [0109]), and not on inputs by a viewer in response to the programming and/or advertisements themselves.

Because neither the Jeannin publication nor the Tanabe publication, whether considered individually or in any reasonable combination, discloses or suggests an advertisement insertion system in which inserted advertisements may be modified based on viewer responses to the advertisements and/or programs into which the advertisements are inserted, with Tanabe failing to even teach advertisement insertion much less modification of the advertisements based on viewer responses thereto, it is respectfully submitted that neither the Jeannin publication nor the Tanabe publication, whether considered individually or in any reasonable combination, discloses or suggests the combination recited in the amended claims of the present application, and withdrawal of the rejection of claim 8 based on the Jeannin and Tanabe publications is respectfully requested.

5. Rejection of Claim 11 Under 35 USC §103(a) in view of U.S. Patent Publication No. 2002/0083469 (Jeannin) and U.S. Patent No. 6,172,677 (Stautner)

This rejection is respectfully traversed on the grounds that the Stautner patent, like the Jeannin publication, does not disclose or suggest insertion of advertisements into an interactive program based on responses submitted by the user, via an interface device, to either the main program or to a previously inserted advertisement. Instead, the Stautner patent discloses embedding of web-based content into broadcast program guides. As in the Tanabe system discussed above, response to an advertisement in the Stautner system does not modify the manner in which advertisements are inserted.

Although a displayed advertisement can function as an icon for initiating a sequence of events, such as the ordering of a pizza (col. 6, lines 50-60 of Stautner), the ordering of the pizza has no effect on the display of advertisements, and thus there is no feedback in the manner of the claimed invention. Because the Stautner patent does not suggest modification of the Rosser advertisement-insertion system to modify advertisements based on viewer responses to the

advertisements or programming into which the advertisements are inserted, withdrawal of the rejection of claims 10-11 under 35 USC §103(a) is respectfully requested.

6. Rejection of Claim 12 Under 35 USC §103(a) in view of U.S. Patent Publication No. 2002/0083469 (Jeannin) and U.S. Patent No. 6,618,858 (Gautier)

This rejection is respectfully traversed on the grounds that the Gautier patent relates solely to user identification, and therefore does not suggest modification of the system disclosed in the Jeannin publication to provide for insertion of advertisements into an interactive program based on responses submitted by the user, via an interface device, to either the main program or to a previously inserted advertisement.

7. Rejection of Claim 13 Under 35 USC §103(a) in view of U.S. Patent Publication No. 2002/0083469 (Jeannin), U.S. Patent No. 6,172,677 (Stautner), and U.S. Patent No. 2002/0016965 (Tomsen)

This rejection is respectfully traversed on the grounds that the Tomsen publication is directed to a system that permits a viewer of a commercial on interactive television to save the commercial for later viewing and interaction, and therefore could not possibly have suggested modification of the system of Jeannin, whether or not considered in view of the Stautner patent, to provide for insertion of advertisements into an interactive program based on responses submitted by the user, via an interface device, to either the main program or to a previously inserted advertisement.

The present invention provides an improvement over the system of Jeannin in which inserted advertisements may be modified according to viewer reaction or feedback, thereby making use of the capabilities provided by interactive television or gaming protocols. The applicant does not claim to have invented interactive television or interactivity in general, but only to have invented a specific, extremely useful, application of interactive television capabilities in which reaction of the viewer to a program or advertisement inserted into the program is used as a basis for modifying the advertisement. This is not the same as Tomsen's storage of an

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advertisement for later replay and interaction, and therefore withdrawal of the rejection of claim 13 under 35 USC §103(a) is respectfully requested.

Having thus overcome each of the rejections made in the Official Action, withdrawal of the rejections and expedited passage of the application to issue is requested.

Respectfully submitted,

BACON & THOMAS, PLLC

A handwritten signature in black ink, appearing to read 'B. Urcia', with a long horizontal line extending to the right.

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